



# PUBLIC NOTICE

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DA No. 23-319

Report No. SCL-00411

Thursday April 13, 2023

## Actions Taken Under Cable Landing License Act

### Section 1.767(a) Cable Landing Licenses, Modifications, and Assignments or Transfers of Control of Interests in Cable Landing Licenses (47 CFR § 1.767(a))

By the Chief, Telecommunications and Analysis Division, Office of International Affairs:

Pursuant to an Act relating to the landing and operation of submarine cables in the United States, 47 U.S.C. §§ 34-39 (Cable Landing License Act), Executive Order No. 10530, Exec. Ord. No. 10530 reprinted as amended in 3 U.S.C. § 301, and section 1.767 of the Commission's rules, 47 CFR § 1.767, the following applications ARE GRANTED. These grants of authority are taken under section 0.261 of the Commission's rules. 47 CFR § 0.261. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules may be filed within thirty (30) days of the date of this public notice. 47 CFR §§ 1.106, 1.115.

These applications have been coordinated with the Department of State and other Executive Branch agencies pursuant to section 1.767(b) of the Commission's rules and consistent with procedures established with the Department of State. 47 CFR § 1.767(b); see Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, Report and Order, 16 FCC Rcd 22167, 22192-93, paras. 51-52 (2001) (Submarine Cable Landing License Report and Order); Commission Announces Department of State's Revised Procedures for its Consideration of Submarine Cable Landing License Applications, IB Docket No. 16-155, Public Notice, DA 22-435 (rel. Apr. 19, 2022).

This public notice serves as each cable landing licensee's Cable Landing License, or modification thereto, pursuant to the Cable Landing License Act and sections 1.767 and 1.768 of the Commission's rules. 47 CFR §§ 1.767, 1.768. Cable landing licensees should review the terms and conditions of their licenses. Failure to comply with these terms and conditions or relevant Commission rules and policies could result in fines or forfeitures.

Acceptability for Filing Public Notice: On January 14, 2022, AT&T Corp. filed an application (Application) for a new cable landing license to allow the continued operation of the St. Thomas-St. Croix Cable System for an additional 25-year term following the expiration of the current license on April 30, 2022. See Streamlined Submarine Cable Landing License Applications Accepted for Filing, File No.

SCL-LIC-20220114-00004, Public Notice, Report No. SCL-00356S (IB Feb. 3, 2022). No comments or oppositions were filed in response to the Public Notice. AT&T Corp. was granted Special Temporary Authority (STA) to allow the continued operation of the St. Thomas-St. Croix Cable System following expiration of the license, while the Commission considered the application for a new cable landing license. See File Nos. SCL-STA-20220318-00011 and SCL-STA-20220930-00026. AT&T Corp. filed a supplement on July 30, 2022, to update the ownership information of AT&T of the Virgin Islands, Inc. (AT&T VI).

The St. Thomas-St. Croix Cable System is a non-common carrier fiber-optic submarine cable system that connects Magens Bay, St. Thomas, U.S. Virgin Islands and Butler Bay, St. Croix, U.S. Virgin Islands. The cable was originally licensed in 1996 and commenced service on May 1, 1997. See AT&T Submarine Systems, Inc., File No. SCL-94-006, Cable Landing License, 11 FCC Rcd 14885 (IB 1996); IBFS File No. SCL-LIC-19940815-00003.

The Application has been coordinated with the Department of State and other Executive Branch agencies pursuant to section 1.767(b) of the Commission's rules, 47 CFR § 1.767(b), and consistent with the procedures established by the Department of State. See Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, Report and Order, 16 FCC Rcd 22167, 22192-93, paras. 51-52 (2001) (Submarine Cable Landing License Report and Order); Commission Announces Department of State's Revised Procedures For Its Consideration of Submarine Cable Landing License Applications, IB Docket No. 16-155, Public Notice, DA 22-435 (IB Apr. 19, 2022). On March 14, 2022, the Department of Homeland Security filed a letter requesting that we defer action on the application. On January 24, 2023, the National Telecommunications and Information Administration, on behalf of the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (Committee), filed a Petition to Adopt Conditions to Authorization and License. The Committee has no objection to the Commission approving authority to renew the authority to operate the St. Thomas-St. Croix Cable System, provided that the Commission conditions its approval on the assurance AT&T Corp. to abide by the commitments and undertakings set forth in the January 9, 2023, Letter of Agreement from AT&T Corp. to the Department of Homeland Security and the Department of Defense.

Actions Taken: (1) Grant of Cable Landing License to AT&T Corp. for the purpose of landing and operating a non-common carrier fiber-optic submarine cable system, the St. Thomas-St. Croix Cable System, that connects Magens Bay, St. Thomas, U.S. Virgin Islands and Butler Bay, St. Croix, U.S. Virgin Islands; (2) waiver of section 1.767(h)(1) of the Commission's rules, 47 CFR § 1.767(h)(1), in connection with the license; and (3) grant of the Petition to Adopt Conditions to Authorization and License filed by the National Telecommunications and Information Administration on January 24, 2023.

Licensee Information: AT&T Corp. is a New York corporation. AT&T Corp. is a direct, wholly owned subsidiary of AT&T Inc., which is a publicly traded Delaware corporation whose stock is widely held by the public. According to AT&T Corp., no person or entity holds a 10% or greater ownership interest in AT&T Inc.

Cable Design and Capacity: The St. Thomas-St. Croix Cable System is 113.708 km in length. The cable has been upgraded several times and consisted of 12 fiber pairs in a single sheath between the cable landing stations in Magens Bay, St. Thomas, U.S. Virgin Islands and Butler Bay, St. Croix, U.S. Virgin Islands at the time of the Application. According to the Application, by the end of 2021 or early 2022, there will be only one fiber pair (the fifth fiber pair) in use, with the other 11 idle. The operating fiber pair has a capacity of 4400 Gigabits per second (Gbps). Assuming the same design capability across all 12 fiber pairs, the design capacity for the entire cable was estimated to be 12 times 4400 Gbps, or a total of 52800 Gbps, at the time of the Application.

Ownership and Control of the Cable System and Landing Points: AT&T Corp. owns 100% of the St. Thomas-St. Croix Cable System. The cable landing stations in Magens Bay, St. Thomas, U.S. Virgin Islands and Butler Bay, St. Croix, U.S. Virgin Islands are entirely owned and operated by AT&T of the Virgin Islands, Inc. (AT&T VI). At the time the Application was filed, AT&T VI was a direct wholly-owned subsidiary of AT&T Corp. On March 31, 2022, an internal re-organization occurred whereby AT&T VI became a wholly-owned subsidiary of AT&T Columbus Holdings, Inc. AT&T Columbus Holdings is also a direct wholly-owned subsidiary of AT&T Inc.

AT&T Corp. requests a waiver of 1.767 (h)(1) of the Commission's rules, 47 CFR § 1.767(h)(1), so that AT&T VI need not be a joint applicant for the cable landing license for the St. Thomas-St. Croix Cable System. Section 1.767(h)(1) requires that "[a]ny entity that owns or controls a cable landing station in the United States" shall be "applicants for, and licensees on, a cable landing license." 47 CFR § 1.767(h)(1). According to the Application, AT&T VI will not have any ability to affect significantly the operation of the St. Thomas-St. Croix Cable System. AT&T Corp. asserts that all personnel who operate the two landing stations are supervised, directly or indirectly, by AT&T Corp. personnel. AT&T Corp. states that it has and will retain operational authority over the two cable landing facilities and will continue to provide direction to AT&T VI in all matters relating to the St. Thomas-St. Croix Cable System. Thus, accordingly to AT&T Corp., the inclusion of AT&T VI as a joint applicant is not necessary to ensure compliance by AT&T Corp. with the Cable Landing License Act, the Commission's cable landing license rules, or the terms of any cable landing license.

AT&T Corp. further asserts in the July 30, 2022 supplement that the internal re-organization, whereby AT&T VI became a wholly owned subsidiary of AT&T Columbus Holdings, Inc., does not change the premise for its waiver request. According to the July 30, 2022 supplement, all personnel at the landing stations will be supervised, directly or indirectly, by AT&T Corp.'s personnel, and AT&T Corp. will retain operational authority over the two cable landing facilities and will continue to provide direction to AT&T VI in all matters relating to the St. Thomas-St. Croix Cable System.

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The purpose of the section 1.767(h)(1) requirement is to ensure that entities having a significant ability to affect the operation of the cable system become licensees so that they are subject to the conditions and responsibilities associated with the license. See Submarine Cable Landing License Report and Order, 16 FCC Rcd at 22194-95, paras. 53-54. Although AT&T VI is the owner of the cable landing stations in Magens Bay, St. Thomas, U.S. Virgin Islands and Butler Bay, St. Croix, U.S. Virgin Islands, we find, based on the record in this proceeding, that AT&T VI will not have the ability to affect significantly the operation of the cable system. Accordingly, we grant AT&T Corp. a waiver of section 1.767(h)(1) and do not require AT&T VI to be an applicant/licensee for the St. Thomas-St. Croix Cable System.

Regulatory Status of the Cable: AT&T Corp. will continue to operate the St. Thomas-St. Croix Cable System as a non-common carrier cable.

Conditions and Requirements: AT&T Corp. shall comply with the routine conditions specified in section 1.767(g) of the Commission's rules, 47 CFR § 1.767(g), and with the requirements of section 1.768 of the Commission's rules, 47 CFR § 1.768 (Notification by and prior approval for submarine cable landing licenses that are or propose to become affiliated with a foreign carrier).

We grant the Petition to Adopt Conditions to Authorization and License (Petition) filed in this proceeding by the National Telecommunications and Information Administration, on behalf of the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector, on January 24, 2023. Accordingly, we condition grant of the Application on AT&T Corp. abiding by the commitments and undertakings contained in the January 9, 2023, Letter of Agreement (LOA) from Corey M. Anthony, Senior Vice President, Network Engineering and Operations, AT&T Services, Inc., to Assistant Secretary for Trade and Economic Security, Office of Strategy, Policy, and Plans, U.S. Department of Homeland Security; Global Investment and Economic Security Directorate, Director, Undersecretary of Acquisition and Sustainment, U.S. Department of Defense. Copies of the Petition and the LOA are publicly available and may be viewed on the FCC's website through the International Bureau Filing System (IBFS) by searching for SCL-LIC-20220114-00004 and accessing "Other filings related to this application" from the Document Viewing area.

A failure to comply and/or remain in compliance with any of these commitments and undertakings shall constitute a failure to meet a condition of the cable landing license and thus grounds for declaring the license terminated without further action on the part of the Commission. Failure to meet a condition of the license may also result in monetary sanctions or other enforcement action by the Commission.

License term: Under the Commission's rules a cable landing license shall expire 25 years after the in-service date for the cable. 47 CFR § 1.767(g)(15). As the St. Thomas-St. Croix Cable System is already in-service, this license shall expire 25 years from grant, April 12, 2048.

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